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**From:**

**Sent:** Wednesday, January 11, 2012 9:39:36 AM

**To:**

**Cc:**

**Subject:** RE: Congressional Response for Counsel Review

Thanks . The letter looks pretty good to me, but there are a couple of things I noticed. First of all, shouldn't it be ?

Also I think the citation to section 3401(a)(21) should be taken out since it only excepts payments to Archer MSAs only (amounts excepted under section 106(b)). The exception from wages for income tax withholding purposes for general accident and health insurance is not in the Code. We usually cite Rev. Rul. 56-632. 1956-2 C.B. 101 for the proposition that accident and health insurance is not subject to income tax withholding, so I recommend citing that instead of section 3401(a)(21).

I've asked from to take a look at that paragraph at the end on capital gains treatment, because that is not in my jurisdiction. I'll pass on any comments has as soon as I receive them.